

Author's Note

Since graduating from college in 1979, I've covered nine presidential elections, which may qualify me as a masochist. Every four years, at least one candidate piously claims that *this* election is the most important of our lifetimes. It was never true—until 2012. The last election wasn't the closest contest of recent times but it may have been the most consequential, a hinge of history.

The 2012 campaign featured trivial moments, of course, but it struck me at its core as a titanic ideological struggle over the way Americans see themselves and their obligations to one another. The social contract established during the New Deal era was on the line. Barack Obama's vision was, as he put it, "I am my brother's keeper" and "We're all in this together"; Mitt Romney's faith lay in low taxes and a shrunken government as the handmaiden of business. They agreed on one thing—that the stakes were immense.

With its themes of big money and "the top 1 percent," the election was a throwback to the class-based arguments that had once been a central part of our politics. Romney rejected criticism of Wall Street or calls for higher taxes on the wealthy as "class warfare." Warren Buffett, hardly a left-wing bomb-thrower, summarized what had become the mainstream view: "There's class warfare, all right, but it's my class, the rich class, that's making war, and we're winning." Had Romney prevailed, the win would have become a rout.

I can't pretend to know for sure how Romney would have governed. But it's fair to say that he wouldn't have been president of Massachusetts, with an overwhelmingly liberal legislature that had to be appeased. Romney would have arrived in office on the tide of a resurgent red state America, with a conservative Republican Congress claiming that its sweeping agenda had been validated by the voters. Emboldened movement conservatives would have given Romney little room to maneuver on issues ranging from the budget to Supreme Court nominations. He hadn't stood up to the base during the campaign and

would have had a hard time doing so in office without becoming a president without a party.

Amid the cut and thrust of the campaign, I tried to keep the true stakes in mind. Had he won, Romney would likely have had the votes to repeal Obamacare* as promised on Day One (under the same Senate rules requiring only fifty-one votes that led to its enactment). During the campaign he pledged to cut federal spending so deeply that it would, as his running mate Paul Ryan put it, constitute “a fundamentally different vision” of government. Ryan, whom the Romney transition team had already designated to supervise the budget in a new administration, said that he viewed the social safety net, especially food stamps, as a “hammock” for the needy that was harming the “national character.” The Romney-Ryan budget would have taken a machete to vital investments in the future, from college loans to medical and scientific research, while eliminating federal funding for other programs (Planned Parenthood, PBS, Amtrak) entirely.

Even if Democrats blocked some of Romney’s bills, his election would have vindicated the Bush years and everyone associated with booting Obama, from Karl Rove to the Tea Party. It would have given comfort (and jobs) to those who considered climate change a hoax and the war in Iraq a noble cause. With Obamacare and his other achievements reversed, Obama’s presidency might well have been seen by many historians as a fluke, an aberration occasioned in 2008 by a financial crisis and a weak opponent, John McCain.

As I learned when writing a book about Franklin D. Roosevelt and Herbert Hoover, history is usually written by the winners. If today’s recovery continued or strengthened, it would have allowed a President Romney to argue that slashing taxes on the wealthy, slashing environmental regulation, slashing programs for the poor, increasing defense spending, and voucherizing Medicare were what led to economic growth. History would have recorded that Barack Obama (like Jimmy Carter) had failed to rescue the economy and Mitt Romney (like Ronald Reagan) had succeeded.

After an election, voters sometimes take the outcome for granted or say it was preordained. *See! I was right! I always knew Obama was going to win!* Anyone tempted to think this should note that Bill Clinton believed Obama would lose all the way up to the arrival of Hurricane Sandy, or so Romney said Clinton told him when the former president called him after the election. With a sluggish economy and

* After the president embraced the term in 2012, “Obamacare” ceased to be a pejorative. I’ve used it for convenience throughout.

a Republican Party backed by billionaires making unlimited campaign contributions, Obama could easily have been a one-term president.

The Center Holds is more than a campaign book and less than a complete history of the second two years of Obama's first term. My aim is to explain how the president's enemies sought to wrench the country rightward, how Obama built a potent new Chicago political machine to fight back, and how his, and Romney's, performance in the 2012 campaign played out against a backdrop of hyperpartisanship and renewed class politics.

All presidents face intense opposition, but Obama's race and "otherness"—not to mention his longstanding determination to "change the trajectory of American politics"—put him in a different category. He embodies a demographic future that frightens people on the other side. I've charted the progression of the malady known as Obama Derangement Syndrome and tried to explain the roots of the antitax and Tea Party uprisings. And I've devoted a chapter to what I call "the Voter Suppression Project," a concerted GOP effort in nineteen states to change the rules of the game to discourage Democrats from voting. Toward the end I explain how the backlash against voter suppression contributed to Obama's victory.

I'm also fascinated by what I see as a strange role reversal at the heart of the campaign. Romney, the self-described "numbers guy," rejected Big Data and ran a *Mad Men* campaign based on a vague and unscientific "hope and change" theme. Obama ran a state-of-the-art "Bain campaign," using some of the same analytics pioneered in the corporate world to redefine voter contact and build the most sophisticated political organization in American history.

The 2012 cycle will likely be seen as the first "data campaign." Just as Franklin Roosevelt and John F. Kennedy have been viewed by historians as the first presidents to master radio and television, respectively, Barack Obama will likely be seen as the president who pioneered the use of digital technology that, in various forms, will now be a permanent part of politics around the world.

Like my 2010 book, *The Promise: President Obama, Year One*, this account draws on my Chicago roots. I met Obama there when he was an Illinois state senator who had recently lost a bid for Congress. In the years since, I haven't lost my fascination with the paradox of a man succeeding so spectacularly at a profession that he often dislikes. He is missing the schmooze gene that is standard equipment for people in politics. In the Washington chapters, I try to assess the consequences of this for his presidency.

The Promise was focused on Obama's governing, the part of the

presidency that he likes best. *The Center Holds* has some of that (e.g., new details about the killing of Osama bin Laden and the Supreme Court battle over Obamacare), but it is mostly about politics. Obama knew as early as mid-2010 that almost nothing substantive would get done for the next two years as the country chose its path.

I'm focused here on detailing the backstory of the big events of 2011 and 2012. This is a work of reporting, chronicling everything from Roger Ailes's paranoid behavior to the geeks in the secret Chicago "Cave" who built crucial models for the Obama campaign to the car accident in the Everglades that helped motivate a South Florida bartender named Scott Prouty to videotape Romney talking about the "47 percent." While I'm not sure I agree with David Axelrod that campaigns are "MRIs of the soul," I hope to provide a few X-rays.

"Contemporary history" is a genre fraught with peril. Some events will shrink in significance over time, while others I underplay or miss entirely may end up looming large. Passions have not yet cooled, and the story of Obama contending with his enemies remains unfinished. It would be dishonest for me to pretend to be neutral in this contest. But all good history has a point of view. The important thing is that it be written under the sovereignty of facts, wherever they may lead.

In 2011, when it looked as if Obama might lose the presidency, a friend asked me to explain how such a thing could happen. Where did Grover Norquist come from? I told her I wasn't sure Obama would lose—that it could go either way—but I would try to tell a story of this moment in our national life that didn't neglect the historical context. So I write in the past tense and stud the narrative with bits of relevant history that are integrated into the text rather than relegated to footnotes. Franklin Roosevelt ordered the killing of a single enemy combatant; John F. Kennedy confronted right-wing haters; and Richard Nixon ran a TV ad mentioning "the 47 percent." As Mark Twain (supposedly) said, "History doesn't repeat itself, but it does rhyme."

The arguments of 2012 go back to the dawn of the republic, when Thomas Jefferson stressed limited government and Alexander Hamilton championed a strong nation investing in its people and future. Obama's themes are those of the great twentieth-century progressive presidents, from Theodore Roosevelt to Lyndon Johnson. Romney and the conservatives in Congress are ideological descendants of those who opposed the New Deal and the Great Society and saw the business of America as business. I've used my reporter's notebook to update these historical cleavages.

If the 2012 campaign had merely contained the natural tension in American history between individualism and community, it would not

have been so extraordinary. Something more profound was at stake. E. J. Dionne wrote in his book *Our Divided Political Heart*, “At the heart of the American idea—common to Jefferson and Hamilton, to Clay and Jackson, to Lincoln and both Roosevelts—is the view that in a democracy government is not the realm of ‘them’ but of ‘us.’” The radical right that would have been vindicated and emboldened by a sweeping Republican victory sees the government as “them.” I make no apologies for suggesting that the United States dodged a bullet in 2012 by rejecting this extremist view of our 225-year experiment in democracy. We are a centrist nation and will remain so.

Writing history in real time has its advantages. What’s lost in perspective is gained in finding stories and insights in their messy original state, before time and selective memories turn them neatly into pleasing myth. But in some respects, as the U2 song played at Obama campaign rallies goes, “The more you see, the less you know.” I remain in what the Harvard historian and president Drew Gilpin Faust calls “the grip of the myopic present.” I hope to have broadened my vision enough to see a few things that others missed. Where I haven’t, there is no one to blame but me.

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THE
CENTER HOLDS

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The Shellacking

President Obama sat hunched over in the second-floor Treaty Room of the White House. It was Election Night 2010, and he was doing his best to offer some solace in a time of loss. The president spent that night and most of the next day on the telephone—hour after hour, call after call, a cortege of funereal conversations with defeated members of Congress.

Reaching out didn't come naturally to this president, who normally preferred spending his evenings having dinner with his family and reading policy memos (with ESPN on in the background) to chatting with a bunch of politicians he barely knew. His detached and self-contained nature had hampered his presidency, though accounts differed over how much. Obama knew abstractly that he needed to establish what he repeatedly called an "inclusive" White House, but he much preferred the company of friends, his staff, and the extraordinary people he met in his travels to schmoozing in Washington. While *The Godfather* was one of his favorite movies, he sometimes seemed to have forgotten Hyman Roth's famous line, "This is the business we've chosen." This business, on this Election Night, was mostly about condolence calls. His personal secretary, Katie Johnson, stayed at her desk until 2 a.m. emailing him the phone numbers of every defeated Democrat on Capitol Hill and several who survived—nearly a hundred calls in all. He was gracious on the phone and between calls remarked to aides how sad it was to lose this member or that in the political earthquake they had just experienced.

The president felt personal affection for early 2008 supporters such as Tom Perriello, Patrick Murphy, and Steve Kagen, who went down in the House, and he reached out to defeated Democrats Russ Feingold and Blanche Lincoln in the Senate. He knew many of the others less well but was genuinely sorry about their fates. A large collection of smart young political leaders saw their careers crash and burn because they voted for health care reform or for the climate change bill that

passed the House but died in the Senate, or simply because they were depicted as Obama Democrats. "I really wish I could have done more for those guys," he told Pete Rouse, his interim chief of staff.

Obama also placed a couple of congratulatory calls to important politicians he knew only from a few meetings. Mitch McConnell, the owlish minority leader of the Senate, had never in two years been to the White House for a one-on-one session with the president. John Boehner, the incoming Speaker of the House, caught the attention of young Obama aides mostly for drinking too much at a White House reception in early 2009 and asking if there was any place to smoke; he was so far off the Obama team's radar on Election Night that Katie Johnson searched unsuccessfully for his cell phone number before finally getting it from someone at the Democratic National Committee. The snubs went both ways: Neither Republican leader had accepted the president's invitations to attend state dinners, where politics traditionally gave way to the national interest, and they insisted that a small dinner for the congressional leadership hosted by the president after the midterms be changed to a lower-profile lunch. Obama aides thought that Boehner in particular paid a price with his Obama-despising caucus every time he met with Obama. Boehner said that was bull.

Now McConnell and Boehner could no longer be ignored. When the returns were complete, the GOP had won in a rout. Democrats held a narrow three-seat margin in the Senate, but Republicans had captured sixty-three House seats—the most that had changed hands since 1948. That chamber would soon be controlled by men and women who could not accurately be called members of the Grand Old Party. Boehner may have been an old-fashioned Republican, but he was outflanked by shock troops of the American right—activists elected in opposition to the party establishment that would now seek to corral their votes. The freshmen joined veteran lawmakers who had watched Boehner and company lose the Congress in 2006 and suffer further reversals in 2008.* They too owed little allegiance to the new speaker. Whether or not they identified with the Tea Party (and even most freshman declined to join the Tea Party caucus), these Republicans were impatient with the old guard and hell-bent on radical and immediate reductions in the size of government.

Boehner was so spooked by the freshmen that he felt forced to re-

* Many Republicans attributed their huge losses in 2006 and 2008 to the Iraq War. They argued that without that war there would have been no Democratic majority, no President Obama, and no Obamacare.

treat from a word that lay at the center of the entire experiment in self-government envisioned by the founders. A month after the midterms, the soon-to-be-speaker sat down with Lesley Stahl of *60 Minutes*, who asked him why he rejected the idea of compromise. “When you say the word ‘compromise,’ a lot of Americans look up and go, ‘Uh oh, they’re gonna sell me out,’” Boehner said. “And so finding common ground, I think, makes more sense.”

Beyond Congress, Republicans also won a landslide in the states, where they took eleven governorships, including five in battleground states won by Obama in 2008. It could have been even worse: In five other blue states, the Democratic candidate for governor won by fewer than ten thousand votes. All told, the GOP now had control of twenty-nine of the fifty statehouses. Less noticed but perhaps more significant, Republicans picked up 680 state legislative seats, giving them control of more than half of state legislative chambers, the most since 1928. Not a single analyst on Election Night predicted what this might mean for election rules that could shape the outcome of the presidential race in 2012.

Democrats had the misfortune of getting clobbered in a census year, which meant a painful loss was potentially catastrophic. The loss of twenty state legislative chambers to Republicans meant that new congressional maps—drawn in state capitals every decade—would almost certainly lock in GOP control of the House for the foreseeable future. In the month ahead, the Republicans’ master plan, called the Redistricting Majority Project (REDMAP), worked beautifully. In the seventy congressional districts labeled “competitive” in 2010, Republicans in 2011 were able to gerrymander forty-seven, compared to only fifteen for Democrats, with the remainder redrawn on a nonpartisan basis.* The result would be about fifty fewer competitive seats in the House of Representatives in 2012, which would mean more Republicans and fewer moderates in either party and thus fewer opportunities for compromise.

Meanwhile Florida, Ohio, Pennsylvania, Michigan, Wisconsin, and Iowa—all states easily carried by Obama in 2008—would now be in the hands of Republican governors and state legislatures with plenty of tools to hurt the other party, the most potent of which would be a series of measures making it harder to vote. These blue states would soon have House delegations that were as much as two-thirds red, an

* The word *gerrymander* dates back to 1812. It came from the redistricting map drawn by Massachusetts governor Elbridge Gerry, which included a district drawn roughly in the shape of a salamander.

undemocratic result locked in by redistricting. If Republicans could meet expectations by winning the Senate and the presidency, the conservative base—even if out of step with young and minority voters—would have control of all three branches of the federal government.

THE 2010 REBUKE to Obama reflected a powerful message from the voters who bothered to go to the polls: Two years is enough time to get the country back on track. They didn't want to hear how the recession was officially over, how much worse it could have been, or how impressive it was that Obama pushed more major legislation through Congress in his first two years than any president since Lyndon Johnson. Democrats bore a large share of blame for their own predicament. They chose to hold the president to a standard of perfection instead of working to hold a Democratic Congress.

Obama's response to his circumstances had been a belated effort to blame the other party, as Franklin Roosevelt had blamed Herbert Hoover's Republicans and Reagan had blamed Carter's Democrats during their first midterms. "They [Republicans] drove us into the ditch," Obama shouted at 2010 campaign rallies. "Don't give 'em back the keys!" The line was necessary but not sufficient. Reminding voters of the failed past wasn't enough without offering a coherent message for the future. A pragmatic absence of ideology was no shield against the other side's passionate ideology. Even in heavily blue New York City, the president couldn't fill the small ballroom of the Roosevelt Hotel when the tickets were only \$100. If the still popular Michelle hadn't hit the campaign trail at the end, the damage would likely have been even worse.

When David Axelrod talked to the president on the day after the election, they agreed they had gotten their butts kicked. He tried to lift Obama's spirits by predicting that the GOP would overreach, thus setting up his reelection in 2012. But then Axelrod thought of Winston Churchill's comment after he was defeated for reelection as prime minister in 1945: "If this is a blessing, it is certainly well-disguised."

Publicly Axelrod tried to put the best face possible on the results, noting that Democrats had managed to defy expectations and hold the Senate. Of course, that was no thanks to the White House. Colorado, Nevada, and Delaware stayed in the Democratic column because of weak Tea Party challengers, including one who was forced to deny she was a witch. The Democrats' turnout explanations were more convincing. Only 80 million Americans voted in 2010, compared to 130 million in 2008. Even accounting for the normal drop-off in midterm elections,

that difference was staggering. Where were those missing 50 million voters? They would have to be lured back to the polls if Obama was to have any chance of reelection.

Even before the 2010 votes were fully counted, attention was already shifting to 2012, when Democrats would defend twenty Senate seats to the Republicans' thirteen. It was hard to find anyone in Washington who would give the Democrats odds on holding the Senate. This view would persist. In November of 2011, a year before the 2012 election, Charlie Cook, a well-regarded Washington prognosticator, wrote that in the "best-case scenario" Democrats would lose only three seats, enough to give Republicans control if a Republican vice president broke the tie. (Cook's projections of a Republican Senate continued well into 2012). If Obama was defeated for reelection—and the odds now favored that too—conservative Republicans would control the presidency, the Congress, and the Supreme Court. They would repeal almost everything Obama had achieved and push the nation sharply to the right.

Less than two years after arriving in Washington as a historic figure heralding a new era, Barack Obama was a wounded president fighting for his political life. The bloggers and cable blowhards who hyped his rise now outdid themselves chronicling his fall. Many confidently invoked statistics about the effect of pocketbook issues on incumbency: Unemployment in October 2010 was a grim 10.2 percent, up 2.5 points from the day Obama took office twenty-two months before. No president had been reelected with an unemployment rate above 7.2 percent since FDR amid the Great Depression in 1936, and that was after the rate fell by a quarter. The consensus in the media was that anything above 8 percent or so would mean the end of the Obama presidency.

Obama despised the noisy cable culture and tried to ignore the manic-depressive fever charts of political fortunes that had come to define public life in the capital. But the car in the ditch was his now, and no one knew if he could haul it out.

THE ONLY COMPARABLE midterm experience was in 1994, when voters thought a young president had "overshot the runway" on health care and other issues and delivered a stinging repudiation at the polls. That year Democrats lost eight Senate seats, costing them their majority, and fifty-four seats in the House, which meant Republican control of that chamber for the first time since 1954. In the aftermath, President Clinton blamed angry white voters upset with the Democrats on "guns, God and gays." He claimed in public to be accountable for the result but snapped in private at his staff, fired several political advis-

ers, and began spending hours in secret conversations with Dick Morris, a Republican strategist who had worked for him in Arkansas. One aide thought the president seemed foggy, as if he were on medication. He rarely went to the Oval Office, preferring to plot his future in the residence.

The new House speaker was Newt Gingrich, who brought a style of slash-and-burn politics to the Capitol not seen since the McCarthy era. Flush with victory, House Republicans at first rejected the idea of compromise altogether. But many of the new members owed their elections to Gingrich, so they followed him when he compromised with the president on the budget and other issues. Liberal Democrats meanwhile were disappointed with Clinton and what they saw as his modest, small-bore view of the presidency, but they mounted no primary opposition in 1996. The economy strengthened that year, with unemployment declining to 5.4 percent, and Clinton's reluctant signing of welfare reform legislation made him seem centrist. Two years after the humiliation in the midterms, Clinton handily beat former Senate majority leader Bob Dole for reelection, a comeback that seasoned Democrats kept in mind fifteen years later.

UNFORTUNATELY FOR OBAMA, 2012 wasn't 1996. The Obama "reelect" (as campaigns involving incumbents are known in the trade) wouldn't play out against 1990s-style peace and prosperity, a political culture with stakes so low that the country would soon have the luxury to obsess for months about stains on a blue dress. This president took office in 2009 amid two wars and an economy in free fall. Revised estimates showed the gross domestic product (GDP) had shrunk by an astonishing 8.9 percent in the fourth quarter of 2008, a steeper drop than during any single quarter of the Great Depression. Economists agreed that recovery would take at least a few years, as it always does after economic crises that begin in the financial sector.

Unlike Clinton in 1994, Obama didn't brood or lash out in the weeks following the election. He was in what Rouse described as "a little denial" about the returns. He knew the results looked bad and that he would have to retool, but he never internalized the magnitude of the defeat. This reflected either a worrying level of disengagement or commendable resiliency and solid mental health. Obama told his best friend, Marty Nesbitt, who ran a Chicago-based airport parking company, "In spite of what you're hearing, we're really handling it well." Nesbitt, who visited the White House often, didn't see anything to indicate otherwise.

Obama figured he had been elected not just to solve problems but to change Washington, and he had failed at the latter because of the circumstances under which he took office. He saw his debut in the presidency as a “triage moment” that pushed everything else aside. To stop the bleeding, he and his team had to play the Capitol Hill inside game proficiently. They had fallen into the habit of working the Washington levers of power, and it cost them.

“We were so busy and so focused on getting a bunch of stuff done that we stopped paying attention to the fact [that] leadership isn’t just legislation,” Obama told Steve Kroft of *60 Minutes* shortly after the midterms, “that it’s a matter of persuading people. And giving them confidence. And bringing them together. And setting a tone. And making an argument that people can understand.” This was a startling confession that he had failed at what is practically the sine qua non of a successful presidency.

Obama saw the results as a product of national impatience. “People are frustrated—they’re deeply frustrated—with the pace of the recovery,” he told a news conference on the day after the election. But he acknowledged that the voters apparently did not see the government as the way to quicken it. They “felt as if government was getting more and more intrusive into people’s lives than they were accustomed to.” If true, everything the president stood for—the investments in education, scientific research, clean energy, manufacturing, and the rest—would now be on the chopping block.

The president knew that he had to listen to the verdict of the voters, or at least seem to do so. Yet in the East Room that day there was no point in hiding the pain of a personal repudiation. “I’m not recommending for every future president that they take a shellacking like I did last night,” he said, with as much drollery as the occasion allowed.

Obama left it to his political aides to admit that they had blown the basic blocking and tackling of politics. Looking back, they felt they hadn’t gone negative early enough or strongly enough. “The one thing we could never solve was to create enough sense of risk about voting Republican,” Axelrod said. It was a mistake they vowed to fix.

MITCH MCCONNELL WAS crystal clear about the stakes over the next two years. Just before the midterms, he famously told the *National Journal*, “The single most important thing we want to achieve is for President Obama to be a one-term president.” Two days after the election, he doubled down, saying he didn’t regret the comment and adding, “The fact is, if our primary legislative goals are to re-

place the health spending bill; to end the bailouts; cut spending and shrink the size and scope of government, the only way to do all these things is to put someone in the White House who won't veto all these things." Over time McConnell's "single most important thing" would come to symbolize how disconnected the political games in Washington were from the concerns of ordinary Americans. *Their* number one priority was a better life for themselves and their kids, which required a better economy, which in turn required the politicians to work together.

McConnell's Senate colleagues knew that in truth neither beating Obama nor helping the economy was his true priority. The minority leader's number one goal was retaking the Senate for Republicans so that he could be majority leader again. The biggest threat over the next two years to McConnell's dream wouldn't be Democrats but his more dangerous adversaries: House Republicans. If they messed with Medicare, he might not pick up the three Senate seats that he needed to take power.*

When he heard McConnell's statement, Senate Majority Leader Harry Reid told his spokesman, Jim Manley, "*My* number one priority for the next two years is to reelect Obama." Even if Reid didn't mean it literally—he managed a legislative calendar that would not be dictated by the White House's political calculations—the private comment made its way down Pennsylvania Avenue to Pete Rouse and to the president. Naturally it bound Obama more closely to the majority leader.

If reelection was the central goal, Obama would have to do something to reengage and reenergize his base. In 2010 the proportion of young voters fell by a third from 2008; the proportion of older voters (who favored Republicans) grew by a third; and the proportion of white voters grew by a third. Had turnout been the same in 2008 as it was in 2010, McCain would have won.

The big problem moving forward was the long-range outlook for the economy. What kept him up at night, the president told aides, was that he didn't know where the jobs for the long-term unemployed were going to come from. The economy didn't have a "next big thing" to employ people with no college education and few skills. He knew that the green jobs he had touted so hard in 2009 were a chimera. He mused that the factory workers laid off after the collapse of the manu-

* If a Republican won the presidency, McConnell needed just three seats because a Republican vice president would break the tie in favor of Republican control. If President Obama won, Vice President Joe Biden would break the tie in favor of the Democrats, which meant that McConnell would need four new Republican senators in order to take over.

facturing sector in the 1980s had in many cases been absorbed into construction trades during the housing bubble of the 1990s. But now they had been laid off again, and there was nothing else for them on the horizon. These folks, he feared, were spiraling downward. He was struck by an article in the March 2010 *Atlantic* describing how the social dysfunction in white working-class areas was beginning to mirror that of black neighborhoods. He felt that the answer, to the extent that there was one, lay in infrastructure, a multiyear “paid for” agenda to rebuild sewage systems, retro-fit schools and hospitals, and do a lot more on job creation that the GOP had long supported. Big projects, from the railroads to the interstate, had always been championed by Republicans. But those days were over. For 2011 at least, he would have to play defense while they carried the ball on austerity.

At the same time, the president would have to mute any message of progress on the economy. People just weren’t buying it. The political commentator James Carville had laid out the challenges: “The hardest thing to do in all of political communications is deal with a bad but somewhat improving economy.” Doing so required “threading the needle”—convincing people that things were getting better when they didn’t yet feel it. Carville confessed that Clinton’s White House had also failed at that early on: “It is not like someone has the holy grail of how to do this.”

But even when he was in deep trouble politically, Clinton always loved the game. This wasn’t true of Obama. His long list of policy achievements in his first two years occurred in spite of an aversion to the normal requirements of politics: dealing with legislators, building coalitions, selling relentlessly with a message repeated ad nauseam. The uncomfortable truth was that he didn’t much like politics and didn’t enjoy the company of other politicians; in fact he didn’t even consider himself to be one, at least not at heart. Most of those around the president didn’t think of him as a politician and marveled that he had come so far without the usual political equipment. Sure, he spent plenty of time calculating the political angles, but this engagement was usually from a distance, as if he had to prevent the grubby realities of his business from soiling his image of himself.

It was sometimes said that he didn’t like people; this was wrong. It was needy and shortsighted politicians, entitled donors, and useless grandstanders who tried his patience. He liked people, including children, who could satisfy his curiosity, make him laugh, and tell him things he didn’t know. He didn’t like people who wanted a piece of him, failed to do their jobs, or who thought their wealth and position made their advice by definition superior to that of the less powerful.

Obama's rise had been so rapid that his natural political skills were never deepened by experience. So, for instance, he misconstrued a piece of old Chicago political lore. The first Mayor Daley had famously said in the 1950s that "good government is good politics," by which he meant that if you ran a smart and reasonably effective government that delivered services to people, they would vote for you. This was true as far as it went. But as Obama knew perfectly well, Daley's legendary "machine" was also built on an obsession with the machinations of politics for its own sake. It wasn't until January 2010, a year after taking office, when Republican Scott Brown won a special election to fill Ted Kennedy's seat in Massachusetts, that the president saw the shortcomings of his faith in just doing the right thing and expecting political rewards to follow.

And yet the events of his first year set up a perfect test of Daley's maxim. Obama had moved ahead with the auto bailouts even though they were unpopular even in the industrial Midwest, and with the Affordable Care Act despite being told by all of his top advisers that it was a loser with voters. He was betting on the ebbs and flows of fortune in politics, where time can change anything. The 2012 presidential election would resolve whether doing unpopular things to help the country could end up as crowd-pleasers down the road.

AGAINST ALL ODDS, the lame duck session of the 111th Congress proved to be one of the most productive of all time. Both McConnell and Boehner knew it would get worse for them in 2011, when the Tea Party would be flexing its muscles, so it made more sense to do business with the outgoing Congress in late 2010, before the freshmen radicals got to town. But at first it didn't look as if much would happen.

The new START Treaty that Obama had signed the previous April in Prague with President Dmitry Medvedev of Russia was languishing in the Senate, where sixty-seven votes were needed for ratification. The treaty cut in half the number of nuclear warheads on both sides, bringing the stockpiles (around 1,500 nuclear weapons) down two-thirds since START was initiated in the 1990s. That was still enough to blow up the world but moving significantly in the right direction. Three Senate Republicans came out in favor of the treaty, but the rest deferred to Jon Kyl, the savvy Republican whip who didn't have much use for arms control of any kind. In mid-November Kyl said there was "not enough time" to renew the treaty before the new Congress began. That was code for saying the GOP would not just stop START, but kill it.

The president decided to fight hard for the treaty, even at the ex-

pense of other priorities. “We said, ‘Holy shit! We can’t lose START,’ and doubled down,” recalled Ben Rhodes, the deputy director of the National Security Council. Obama saw START as the linchpin of much of the rest of his foreign policy, from resetting relations with Russia to handling China, getting North Korea “below the fold” (out of the headlines), and confronting Iran. The hard-line view, exemplified by Senator James Inhofe’s claim that “Russia cheats in every arms control treaty we have,” caused consternation in Moscow. Rejection of the treaty would have meant no cooperation on anything from the Russians. “We would not have gotten sanctions against Iran without START,” Rhodes said.

Obama and Biden went into overdrive building elite public opinion for the treaty, enlisting in the cause NATO, German chancellor Angela Merkel, former president George H. W. Bush, Mitt Romney (already a likely 2012 presidential candidate), and all six living former secretaries of state. The key was winning over John McCain, who was lobbied by everyone from Henry Kissinger to the neoconservative writer Robert Kagan. When McCain came out for the treaty, he brought other Republican senators along and, to the surprise of almost everyone, isolated Kyl thoroughly enough to win ratification.

Obama was also skillful in winning a change in the Don’t Ask Don’t Tell policy on gays in the military. The key was the favorable testimony of Admiral Mike Mullen, chairman of the Joint Chiefs of Staff. Defense Secretary Bob Gates had been opposed to a new policy but grew convinced that the Pentagon’s hand would be forced by the courts. And Gates was impressed by a report prepared by Jeh Johnson, general counsel to the Pentagon, and army general Carter Ham, that said the military could absorb the change without harm. By letting the Pentagon take the lead on Capitol Hill in 2010 instead of pushing hard from the White House for a reversal of DADT, Obama might have been leading from behind, as an anonymous insider charged, but he was leading.

AFTER THE MIDTERMS, the pressure to allow expiration of the 2001 Bush tax cuts grew more intense. The leader of the charge was Senator Chuck Schumer, who thought the best idea was to let all of the tax cuts expire, then vote in February 2011 to restore those for the middle class, but not for those making more than a million dollars a year. He said this loudly and publicly, which enraged the White House. Axelrod swore oaths against Schumer to anyone who would listen, and Pete Rouse and Deputy Chief of Staff Jim Messina told Schumer that the president wanted him to put a sock in it.

Obama’s view at the time was that letting middle-class tax rates go

up for even a couple of months in early 2011 would violate a campaign promise and validate the GOP victory. Democrats would take the blame and be in a poor negotiating position with the new Congress in February. He preferred using the Bush tax cuts to win all kinds of other concessions. This was shrewd poker by a player with only one good card in his hand.

Biden and McConnell did most of the negotiating in early December, but the president got involved when necessary. At one point, the Republicans wanted to scale back refundable tax credits—checks for a few thousand dollars from the government to families that made under about \$30,000 a year. Obama said he would walk away from the table if that happened, telling Boehner and McConnell that he couldn't sign a bill with continued tax breaks for the wealthy and let breaks for working-class families expire.

In the middle of the talks, the president made a surprise holiday season visit to the troops in Afghanistan. He stayed on the ground for only six hours of a thirty-six-hour trip. After *Marine One* landed back on the South Lawn on Saturday, December 4, he went directly to the Oval Office, where he called Reid, Pelosi, McConnell, and Boehner with his bottom line: He would veto any bill that contained just the extension of the tax cuts anxiously sought by Republicans and an extension of unemployment insurance anxiously sought by Democrats. The deal had to be much bigger. For the next several hours, the haggling continued, with Biden, at home at the Naval Observatory, turning to the new budget director, Jack Lew, for fresh ideas. By the following week, the outlines of one of the most productive deals ever cooked up by a lame duck Congress were coming into view.

By the time Congress adjourned for the 2010 holidays, Obama had won a victory unimaginable just six weeks before. In exchange for extending the tax cuts—the GOP's true bottom line—Obama won approval of the START Treaty, an end to Don't Ask Don't Tell, extension of unemployment benefits, a payroll tax holiday, the first expansion of the school lunch program in four decades, a continuation of the Recovery Act's expansion of the Earned Income Tax Credit (the most successful antipoverty program in a generation, which boosted the incomes of the working poor), and increased medical care for 9/11 rescue workers at Ground Zero. The result of the fiscal parts of the compromise was a "stealth stimulus" of nearly a trillion dollars—a much-needed boost to the economy. All in all, not bad for a president depicted as politically weak.

Everything in the lame duck session was interconnected, and even seemingly unrelated external events were critical. The decision of Rich

Daley not to run for reelection as mayor of Chicago turned out to have a big impact. Had Daley run, Rahm Emanuel would have stayed past the election as chief of staff. And if he was handling negotiations with the Hill during the lame duck session, Emanuel would likely have traded repeal of the ban on gays in the military for the START Treaty instead of holding out for both. As one of his White House colleagues pointed out, it was simply in Rahm's nature to jump at such deals. Instead the key negotiator in this period was Rouse, who had replaced Emanuel as interim chief of staff. Rouse had been the top aide to Senators Dick Durbin, Tom Daschle, and Barack Obama. Over the course of three decades on the Hill, he had earned the nickname "the 101st Senator." On the DADT-START deal, he didn't take the bait. He and the president held out for a bigger deal, and they got it—a significant win.

The historical consequences of this lame duck deal were much greater than recognized at the time. When the repeal of DADT went smoothly, it created more political space for gay marriage. Had the old Pentagon policy remained in place longer, it's hard to imagine the climate of opinion on same-sex unions shifting as quickly as it did. Only a year later, the president endorsed gay marriage, and the military's years of discrimination already seemed a distant memory.

A key moment in the aftermath of the midterms came on December 12, when Bill Clinton went in to talk with the president. Their relationship was still fraught, but Clinton for the first time showed that he could be of genuine help to Obama. He calmed liberals who were concerned that Obama's big concession in exchange for all these achievements—letting the Bush tax cuts for the wealthy continue past the end of the year—was a sellout. For seventy minutes in the White House press room, long after the president had left, Clinton was back in his element, doing what he now did best: explaining Obama. He made the case for the president's year-end strategy better than the president did himself. Talk of insurrection in the Democratic ranks died down.

Just six weeks after the shellacking, Obama was back in the game, with caveats. Congress was still habitually unable to agree on a budget. The government would have to operate, yet again, on a "continuing resolution" or be forced to shut down in April 2011. Otherwise Congress failed to act on only two major items, both of which would have big consequences through 2012 and beyond. The first was the DREAM Act, which offered a path to citizenship to immigrants who arrived in the country as children and had kept out of trouble and stayed in school. The second was an obscure measure that most of the public knew little or nothing about: a vote to raise the debt ceiling so that the

government could pay bills for expenses it had already incurred. Nancy Pelosi, the lame duck speaker, knew that the Republicans would use the debt ceiling as a weapon to hurt the president, and she urged the White House to make it an issue. Obama raised it several times. He asked his advisers, "Could we roll that into this deal?" They said no, that it was, as Axelrod later put it, "one brick more than the load could take." Boehner's staff said the biggest shock of the whole year was that Obama didn't stress confronting the debt ceiling in the lame duck session. "We were floored by that," Brett Loper, the top policy aide to the speaker, said the following summer.

The president miscalculated. He and Biden were working under the assumption that Republicans would threaten a government shutdown in early 2011, but it would be over the continuing resolution, which came before the debt ceiling had to be raised. It was hard to imagine Republicans would risk a government shutdown (which had gone badly for them in 1995) *and* a default on the national debt. A president respected by his team for thinking a few steps ahead failed to do so, with major consequences for his presidency.

Obama understood that the upcoming 2011 legislative calendar would require bipartisan cooperation to avoid a catastrophe. In December he invited Ken Duberstein to the White House for a chat. Despite the lame duck deal, Duberstein, a wise Republican who had been Reagan's last chief of staff, thought the president hadn't done enough relationship-building with Republicans. He suggested that Obama and Boehner get together and smoke cigarettes over a bottle of wine. The president laughed and said nothing. He'd just kept his promise to Michelle and given up smoking for good. The incoming House speaker, a proud smoker, would later snort with disdain to his staff that Obama always seemed to be chewing Nicorette gum.

NOT LONG AFTER the midterms, Obama and Rouse undertook a rigorous assessment of what had gone wrong over the previous two years. The president expressed great frustration over his failure to communicate better with the public but he also concluded that the policymaking process had failed, especially on the economy though also on breaking his promise to close the prison that held suspected terrorists at Guantánamo, where the administration had dithered until its hand was forced by Congress.

It was time for some personnel changes. The two biggest presences in the White House in the first two years, Rahm Emanuel and Larry Summers, director of the National Economic Council, had (along with

Secretary of the Treasury Tim Geithner) helped Obama put out fires that could have consumed the U.S. economy. While this was taken for granted by Wall Street and much of the public, an appreciative president had not forgotten. But Emanuel was tired of being undermined by Valerie Jarrett, and he was anxious to run for mayor of Chicago. Summers, for all of his brilliance and value as what one senior aide called Obama's "security blanket," had proven high-handed in his interactions with other administration officials, which impeded nimble policymaking. In 2009 and 2010 Summers slow-walked small business initiatives that were relevant both to recovery and to the president's political fortunes, and he blocked requests from Governor Ed Rendell of Pennsylvania and Transportation Secretary Ray LaHood to include more money for high-speed rail and other infrastructure in the Recovery Act. He felt it wouldn't jolt the economy quickly enough because so few projects were "shovel-ready." So in 2009 only \$87 billion out of the \$787 billion stimulus had gone for water and transportation infrastructure. This became one of the president's major regrets.

With the message failures of 2010 fresh in his mind, the president decided to change the public face of his administration. He wanted fresh blood, but there was a cosmetic dimension too: The first lady and Jarrett, the Obamas' closest confidante, weren't thrilled with the way David Axelrod came across on TV. Axelrod had vaguely planned to leave in the spring of 2011; now the president moved up his departure date to February. He told an exhausted Axelrod that he wanted him to go back to Chicago to rest and gear up for the 2012 campaign.

Press secretary Robert Gibbs hoped to become Axelrod's replacement as senior adviser, though he knew the job had long since been reserved for David Plouffe, the 2008 Obama campaign manager who had stayed out of the White House for the first two years. It didn't help that Gibbs had also run afoul of Jarrett, cursing her out in a meeting for misrepresenting the first lady's views on a minor matter. Once he indicated that he didn't want to stay through 2012, there was no job for him except possibly head of the Democratic National Committee, which he wasn't interested in. Obama, knowing that Gibbs wouldn't accept a job without portfolio, offered him one, a sign that the president was a little more manipulative than he appeared. The press secretary left shortly thereafter to write and give speeches, and he later became an especially effective Obama surrogate in 2012.

Everyone else, even Jarrett, got the once-over in the president's mind. She was just a hair below Chicago buddies Marty Nesbitt and Eric Whitaker as best friend of Barack, but she was not immune. We have to put personal feelings aside as we retool, he told Rouse. "I'd

look at myself too if I wasn't president, but I can't remove myself." This was part of Obama's way of breaking the news to Rouse that he wouldn't be promoted from interim to permanent chief of staff, a decision that caused disappointment within the White House, where Rouse was seen as the unprepossessing and kindly uncle who looked out for younger staffers. Rouse and Jarrett would stay as senior counselors, but the president's new top team inside the White House would also consist of Plouffe, his 2008 campaign manager, and Bill Daley, hired as the new White House chief of staff on the strong recommendation of fellow Chicagoans Emanuel and Axelrod, who thought Daley would help the president get reelected.

Plouffe found working in the White House as stifling as "life on a submarine." But the man Obama most credited with his historic 2008 victory slipped seamlessly into his new role as inscrutable consigliere. "You know when people play cards close to the vest?" Daley said later of Plouffe. "He's got his cards [facedown] on the table and he doesn't even look at them. So how are *you* gonna figure what his cards are?"

Daley took over as chief of staff without having ever been close to Obama, who had a distant relationship with the Daley family going back two decades. Chicago Mayor Richard Daley never forgot that Obama had taken a vacation instead of casting a key vote in Springfield when he was in the Illinois State Senate. He wasn't amused by the story, repeated in several books, of Obama as a young law school graduate accompanying Michelle to meet Jarrett for the first time for the purpose of deciding whether Daley's City Hall was good enough for his junior lawyer girlfriend.

Bill Daley, the mayor's younger brother and a former commerce secretary under Bill Clinton, took a risk in late 2006 by becoming the first major Democrat to endorse Obama over Hillary Clinton. But even that was complicated. While Obama's campaign was pleased, Axelrod called Bill Daley and begged him to make it clear to the *Chicago Tribune* that he wouldn't be in the inner circle. Obama and his team were worried that he would look like a tool of the Machine. In mid-2007, when Obama trailed Clinton by 30 points in the polls, Daley figured Obama's campaign was a lost cause and said so a little too loudly. He was offered nothing when Obama became president and was rarely consulted in the first two years.

The Daleys also had an uneasy relationship with Jarrett, who had worked in Chicago government in various capacities. The mayor found her indecisive as city planning commissioner and refused to make her his City Hall chief of staff. Bill Daley thought he had a decent relationship with her, but she was unhappy when the president chose him

over Rouse as White House chief of staff and worried that it would affect her role as liaison to the business world.

Jarrett always appeared calm and self-possessed in public, but on learning that the president was poised to hire Daley she was in an agitated state. She went to Axelrod's office, just steps from the president's private study. She had crossed swords with Axelrod in the 2008 campaign and in the first two years in the White House; she surely knew that Axelrod had pushed strongly for Daley's hiring. But she sat on his little couch and opened up to him anyway, confessing to her fellow Chicagoan her anxiety about the road ahead.

Obama headed into the third and most dismal year of his presidency with a staff in turmoil and a family that had lost its appetite for living in the White House. "Michelle would be happy if I quit, but I can't turn this over to Palin," he said, only half joking.

In the period after the shellacking it often seemed that Obama didn't like being president all that much. More than one friend said that he'd be a happy guy in 2017, when his second term was over. That was assuming, of course, that there was a second term. Voters, he would learn, have a way of sensing who really wants the job.